



# **State of Delaware Department of Finance**

**PeopleSoft Financials Implementation Project**

## **Addendum 3 Vendor Questions and Answers**

**March 29, 2006**

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## Section I: Vendor Questions in Advance of Conference

Question	Section	Question and Answer
1	2.2	<p><b>Will agencies have the ability to opt out of implementing PeopleSoft Financials? Has the State analyzed the number of systems that will be replaced and/or remediated?</b></p> <p>With the exception of the Accounts Receivable Module, which is still being analyzed, agencies will not have the ability to "opt out" of the PeopleSoft implementation.</p> <p>See page 9 for the major systems being replaced or retained.</p>
2	2.2	<p><b>Has communication begun with unions regarding any expected employee impacts?</b></p> <p>Not at this time, but it is planned within the Communication Plan.</p>
3	2.2	<p><b>How many collective bargaining agreements does the State have in place?</b></p> <p>We do not believe this question is relevant to this procurement.</p>
4	2.3.2	<p><b>Will the same State department that was responsible for the Financial Reengineering project be responsible for the implementation of PeopleSoft Financials? Who will be the key leaders who will drive this initiative?</b></p> <p>See page 84 in section 4.1.2 where the management structure is described. It is the same as the Reengineering Project.</p>
5	2.4.1	<p><b>On page 16, 600 core users and 3000 total system users were identified. However, on Page 106, 2500 was used for the training estimate. What is the total end user count and how many core users will there be?</b></p> <p>In the initial training efforts we expect 2500 users to be trained and in the follow-up training we expect to train additional users. The users included in the second wave of training are the more casual users.</p>
6	2.4.1	<p><b>How is the State presently supporting school districts and charter schools with the State infrastructure? Are there access complications in providing these end users with access to the State's Intranet for the PeopleSoft Financials application?</b></p> <p>The State currently supports a PeopleSoft environment for these users and it will remain the same for the PeopleSoft Financials users.</p>

Question	Section	Question and Answer
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7	2.4.1	<b>Does the State have an estimate for each functional area?</b>
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Yes. See Training Plan (Appendix 10).

8	2.4.1	<b>What is considered to be a "core" user?</b>
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A core user is expected to be one who uses the system on a daily basis as primary portion of their job.

9	2.4.1	<b>What is the total number of end user locations?</b>
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For Training purposes, the State will most likely use 3 to 5 training locations.

10	2.4.1	<b>How many users will be end-users of more than one PeopleSoft module?</b>
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See Training Plan (Appendix 10).

11	4.1.5	<b>On page 90 it states, "Vendor will use the Change Management Methodology already in place." On page 92, it asks Vendor to "describe Vendor's Change Management methodology, the approach that will be used in the project and a discussion of how this approach will ensure confidence in the ability of the affected State employees to realize success throughout the PeopleSoft Financials implementation."</b>
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**Are we required to use the State's change management methodology or is the requirement for us to present our proposed change management activities within the context of the State's methodology?**

The Vendor will be required to use the State's methodology. However, the State is open to new ideas and approaches and may elect to modify its methodology based on Vendor responses.

12	4.1.5	<b>Does the Skills Gap Analysis Summary Report include an assessment of computer skills? Do all potential end users have access to a PC and to the Internet?</b>
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Basic computer skills are assumed and not specifically referenced in the skill gap analysis. Knowledge of spreadsheet and database applications was assessed. All State employees who are required to access the system will have access to the system.

13	4.1.5	<b>Did the End User Inventory and Skills Assessment include role descriptions and position descriptions for IT staff and employees who will be responsible for maintaining the system?</b>
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No, the assessment focused only on functional users.

Question	Section	Question and Answer
14	4.1.5	<b>Has the State experienced other large-scale change management efforts in the past? How have these initiatives gone? What have been the lessons learned from the State's perspective?</b>

Large Scale CM

Yes, specifically the 2001 PeopleSoft HR upgrade (from 6.02 to 7.51 and the Benefits & Payroll implementation) – In the past attempt (1999) to implement PeopleSoft HRMS 6.02 HR/BA/PR only HR stabilized, BA/PR crashed. Lessons learned from the 7.51 attempt included adding a full time change management team to the overall project team. End users were unaware of the project as well as the ‘what’s in it for them’ factor and what and how they needed to prepare. The team dealt with getting buy in from resistant stakeholders through the use of effective change management tools and techniques.

Progress

Much of the 2001 success was attributed to adding a change management team to deal with the people side of the technology change.

Lessons Learned

The technology is not always the hard part – getting involvement and buy-in from stakeholders requires use of change management processes and tools, including early involvement for change management team and employees; active and visible sponsorship; effective communications; and effective project leadership and planning.

15	4.1.5	<b>Will the implementation team have access to the State stakeholders and organizational representatives to conduct change management?</b>
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Yes. The State Project Team has access to State stakeholders and organizational representatives.

16	4.1.5	<b>Does the current State change management methodology utilize the Human Resource Department, and consider HR policies and procedures?</b>
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Yes. As needed by the project.

17	4.1.6	<b>Will the project be able to utilize the State's communications office or existing mechanisms for communicating with all State agencies?</b>
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See Appendix 3 for details of the proposed communication mechanisms.

Question	Section	Question and Answer
18	4.1.7	<p><b>User Productivity Kit (UPK) has been suggested for development of the training materials. Has the UPK already been purchased, installed and configured for use on this project or will the Vendor need to propose effort to provide that support?</b></p> <p>No. It has not yet been purchased for this project, although it is being used by the State for PHRST applications. Delaware will be responsible for the installation and configuration of the UPK.</p>
19	4.1.7	<p><b>The Project Training Team will explore the possibility and feasibility of using an “off-the shelf software package” Does the State currently utilize any scheduling software or learning management system?</b></p> <p>No standard has been established for this type of software in the State. Several packages are currently being reviewed for use in this project.</p>
20	4.1.9	<p><b>Are there any tools being used currently for Requirements Tracking and Traceability?</b></p> <p>The State is currently using Stat ACM for PeopleSoft. See Section 4.1.9 on page 99 for more information.</p>
21	4.1.10	<p><b>How many PeopleSoft environments will be implemented? (for example: Three Production, Test, and Development)</b></p> <p>We anticipate 10 to 12 instances supporting Demo through Production.</p>
22	4.1.10	<p><b>On page 100 it states that the Vendor shall provide service that conforms to the State’s security standards. Please provide the specific Security Standards that we are to follow.</b></p> <p>In general, the State follows industry best practices with regards to application security (e.g. strong passwords, sound internal controls, etc). However, because of the nature of security, specific State requirements will be provided to the Vendor upon successful execution of a contractual agreement.</p>
23	4.1.10	<p><b>Does the State’s Application Environment configuration include hardware sizing for all of the anticipated environments and disaster recovery site configuration?</b></p> <p>Yes.</p>
24	4.2.1	<p><b>Please provide the State’s breakdown of PeopleSoft Financials users per Department, Agency, College/University, school, etc.</b></p> <p>See page 17 of Reengineering Phase Products (Appendix 1).</p>

Question	Section	Question and Answer
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25	4.2.1	<b>Is there an Enterprise Technical Architecture for the State of Delaware including architecture standards, methodology, principles and guidelines that we should comply with? What are server hardware platforms and configurations? Technical Architecture for PeopleSoft has it been already defined or do we have to define as part of the proposal?</b>
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Hardware platforms and configurations are described in Section 2.5 on pages 19 through 21 of the RFPAGE

26	4.2.1	<b>"The State is planning to host the development and production environments..." "Optionally, the Vendor may propose to host the development environment for the State...For estimating purposes, the Vendor should assume a core user community of up to 200 users during the implementation and up to 2500 users during system training." If we propose to host the development environment, do we need to include the requirements for the Training environments in our sizing?</b>
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Yes. The training environment requirements must be included in the sizing.

27	4.2.7	<b>Has the decision been made to have a separate Reporting database instance? If yes, what are the tools used for replicating?</b>
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Canned batch reports are expected to run against production databases while ad hoc reports will likely run against a separate reporting instance or the EPM. A final decision on the EPM has not been made.

28	6.1.3	<b>Where is the "Intent to Bid" form?</b>
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The "Intent to Bid" form will be provided to Vendors who attend the Vendor's Conference on March 2, 2006. There is no need to complete an "Intent to Bid" form if you do not intend to bid. Furthermore if a Vendor does submit an Intent to Bid form and then decides to not bid, no further action is necessary.

29	Appendix 10	<b>Is there an approximate number of training locations? Is there a central training facility used by most agencies?</b>
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There will be 3 to 5 locations used. No central facility will be used.

## Section II: Vendor’s Questions at the Conference

Question	Section	Question and Answer
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| 1 | 5.4.18 | Does the definition of “off-shore” in section 5.4.18 extend to locations on the North American continent such as Phoenix or Toronto? <sup>1</sup> |
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The State requires all work to be performed at the project site in Dover, Delaware. This is indicated in the RFP at Section 7.1 (page 175) which requires rates to “represent services provided at the project site Dover, Delaware”. The State understands that there will be occasions for incidental work to be performed at off-site locations but will address such requirements on a case-by-case basis.

One exception to this rule relates to any Vendor proposal to provide hosting services. The hosted environment may reside at any location as long as the performance needs of the Vendor and State team are met.

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| 2 |  | What is the State's procurement stance on Minority Business Enterprise/Women Business Enterprise participation? |
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At this time, the State of Delaware does not have a preference for MBE or WBE companies. However, the Office of Minority and Women Business Enterprise, which was established in November 2001, does encourage and promote the participation of minority and women business enterprises in the state.

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| 3 |  | Is it the State’s expectation that 100% of the work will be done at the project site, or could work be done off-site in the U.S.? |
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See Question 1.

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| 4 | 6.1.3 | The intent to bid form is required of all Vendors bidding as Prime Vendors, correct? |
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Yes only the Vendors bidding as Prime Contractors are required to submit the “Intent to Bid” form. (Prime Vendors per 5.2.12.1)

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| 5 | 6.1.2 | Is it the State’s intention to limit future communication regarding this RFP to the Vendors who submit an Intent to Bid Form? |
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Between now and March 16, 2006, the State intends to limit **direct** communication regarding the RFP to those Vendors who attended the Vendor’s Conference. After March 16, 2006, direct communications regarding the RFP will be limited to those Vendors who submit the Intent to Bid form. Selected information may be posted to

<sup>1</sup> See Revised Question, Section V, p 22



Question	Section	Question and Answer
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the State’s website and therefore available to other Vendors and the public. For example, the state will post the Vendor’s Conference attendee list, the conference

transcript, the questions posed by the Vendors, as well as the answers supplied by the State.

6	2.1	<b>Is it a mandatory requirement that the Prime Vendor have done a state implementation? Is it mandatory that it be a PeopleSoft versus another ERP package?</b>
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It is not mandatory that a Prime Vendor has completed another state implementation. It is also not mandatory that previous implementations be specific to PeopleSoft, regardless of whether they are state government related or in another industry.

However, the State of Delaware has identified that its preference would be to select a Prime Vendor with previous state government implementation experience in PeopleSoft. This is further underscored in Sections 5.3.2.1 and 5.3.2.2 of the Request for Proposal.

7	2	<b>The RFP identifies a need to implement the new system by July 2008 to meet the needs of BACIS. Are there any other dates that should be taken into consideration?</b>
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No. In addition, the date for replacing BACIS can be viewed as a State preference. The State does have options for BACIS if there is a need to support an implementation period that extends beyond July 2008.

8	4.1.1	<b>The State references a “Big Bang” approach to implementation at the start of a fiscal year. Are you set on this approach?</b>
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No. Section 4.1.1 (page 83) also says that “The work plan and schedule must assume the big bang, and start-of-fiscal year roll-out (baseline plan). However, the technical proposal may also present one alternative approach. If an alternative is presented, it must include a high-level comparison to the baseline, and discuss the non-financial costs and benefits to the State of adopting this alternative compared to the State’s preferred approach.”

9	2.3.1	<b>Regarding the Department of Transportation and BACIS, is your objective to use PeopleSoft to take care of the administrative functions (e.g., purchasing, payables, etc.) and to deal with the management of their projects (e.g., billing the federal government, funding projects, etc.)?</b>
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Yes. The PeopleSoft Financials suite will replace BACIS, the Department of Transportation’s current financial management system, and the PeopleSoft Financials Project Costing module will interface with the Department’s soon to be implemented Funds Allocation for Capital Transportation System (FACTS). The Project Costing module is expected to create project numbers and associated information, create

Question	Section	Question and Answer
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		budgets for these statewide projects, and allow expenses associated with them to be tracked.
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10		<b>Could you just comment and maybe provide a short, brief overview of the intent of implementing PeopleSoft at the school districts?</b>
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		All school districts (19) and charter schools (13) in the State of Delaware will be required to use PeopleSoft Financials for operational and capital purposes. Delaware State University and the various campuses of the Delaware Technical Community College system will also use parts of PeopleSoft Financials as implemented by the State of Delaware.
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		For further information regarding school districts, higher education, and state agencies, interested vendors should refer to the <i>Delaware Code, Title 14 and Title 29</i> . An online version can be found at: <a href="http://www.delcode.state.de.us">www.delcode.state.de.us</a>
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11		<b>Will the PeopleSoft financial systems actually go down to the individual schools?</b>
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		Yes, to the extent that a school district chooses to allow a school building to create requisitions and purchase orders. It is possible that a district may choose to centralize its purchasing requirements, but the State will not modify PeopleSoft to achieve this. Districts will be expected to utilize delivered functionality.
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12	5.2.16	<b>The RFP states you can to select multiple vendors based on what's more beneficial to the State. How would that work in the case of a prime?</b>
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		If the State identifies two Prime Vendors qualified to provide services under this procurement and makes the determination that there is something extremely compelling about the way each of them have proposed to meet the needs of the project in different areas, then it is possible that the State can split the project and award separate contracts in each of the two areas.
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13	5.2.12	<b>The second part of that question is that if you are a subcontractor, and the State is engaged with the prime as mentioned above, does the State then have the ability to pick from different subcontractors that are proposed under different prime vendors?</b>
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		No. The relationship is between the Prime Vendor and the subcontractor. The State will only contract with the Prime Vendor
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14	3.2	<b>Are all agencies expected to adopt a standard set of business processes for the standard functional requirements within the Financials modules or will there be unique requirements for individual agencies?</b>
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**Question    Section    Question and Answer**

The State wants to implement PeopleSoft Financials as delivered with few, if any, modifications and has determined that the operating policies and procedures of the State would be changed to accommodate this “vanilla” system. For the most part, all organizations are expected to utilize a set of standard business processes. To the extent that some agencies may need a variant of the standard process, it should be supportable within PeopleSoft Financials without requiring customization or modification.

**15                      Would you please spend a little bit of time getting some more detail on what [the State] has actually done?**

The State of Delaware received a certified, vanilla copy of PeopleSoft Financials 8.8 in August of 2004. From that point, the Project Team began to conduct a fit-gap between its current business processes and those PeopleSoft provides to meet the same objective. In order to get a full appreciation for the differences between PeopleSoft and the State’s business process, our IT team created a second instance of PeopleSoft Financials which we configured using Delaware values and information.

Configuration included turning on Commitment Control, applying applicable bundles, patches, and fixes, loading Delaware values in the following, but not limited to, core tables of DEPT, ACCT, FUND, and OPER. In addition, several General Ledger business units were established as well as associated product business units (eProcurement, Grants, Project Costing, etc.)

The Financials Project Team also was able to get a copy of the State’s HCM application, with Time and Labor installed. The purpose of obtaining a copy of the HCM application was to begin to set up and test some of the PeopleSoft delivered Enterprise Integration Points (EIPs) between Financials and Human Capital Management.

**16    1.1              The RFP indicates that the State will install PeopleSoft Financials 8.9 yet all of the work presented indicates that version 8.8 is installed. Is this correct?**

Even though the State has been operating with a prototype environment with PeopleSoft Financials 8.8, we expect to upgrade that prototype environment to 8.9 prior to the arrival of the implementation Vendor and we expect all of the implementation effort to be conducted in PeopleSoft Financials 8.9.

**17    3.2.2              Are the Human Resources components Time and Labor, Payroll, and others under the  
4.2.4                      scope of this project?**

Yes, to the extent that these and other Human Resources components are affected by the integration of Financials and PHRST.

Question	Section	Question and Answer
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18	3.2.2	<b>Is the State looking for this project to integrate PeopleSoft Financials and PHRST?</b>
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Yes. The State has analyzed all of the Enterprise Integration Points (EIP) between the PeopleSoft Financials modules and the PeopleSoft HCM modules. The State has identified those EIPs it wants to turn on. The Project Team has a copy of the HRMS environment that sits along with the project's FN boxes so that in a sandbox environment, the project can turn on a number of the EIPs, send data across the systems, and test changes on the financial side and trace them all the way through to the human resources side. Although the State has done a significant amount of work regarding this integration, there is much work left to do. The PeopleSoft HCM modules have been heavily modified to meet Delaware's specific requirements. The State seeks expertise from Vendors to determine how pieces of HRMS can be reengineered (made more "vanilla") so that it will fit more naturally with the "vanilla" Financials application.

19		<b>How do we construct a proposal based on the specification that you "may need reengineering services around HRMS?"</b>
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I think if you look at some of the issues that are raised in that attachment on the first integration, that if you've worked with HCM financials and the integration, I think that a lot of those things will be apparent.

20		<b>How do you want us to bid on HCM (PHRST) Reengineering as part of this project?</b>
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PHRST has been heavily modified to meet Delaware's unique needs. This costs the State in terms of maintenance. These modifications interfere with integration with Financials. To integrate properly, the State must look to the "vanilla" features of Financials and HRMS to see what can be adopted. In order to prepare a response, refer to Section 3.2.2 of the RFP which clearly states that:

"...within the scope of this project, is the reengineering of the processes within all modules of PHRST that will need to change as a result of the implementation of PeopleSoft Financials."

State expectations of the Vendor as stated in Section 4.2.4 are:

"...The Vendor will be responsible for definition, design and development of changes to the PHRST system to ensure that the PHRST HR, Payroll, and Time and Labor modules are integrated with PeopleSoft Financials and that all accounting entries integrate, synchronize or flow between PHRST and PeopleSoft Financials."

Question	Section	Question and Answer
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21		<b>Would you expand on the organization chart in Section 4.1.2 and identify which positions are currently filled and when the others will be joining the project?</b>
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The State is issuing Addendum 1 to the RFP, updating and expanding the organization chart contained in the RFP to include the requested information. This chart reflects the State's current thinking on organization and updated FTE counts.

22		<b>How is the vendor expected to incorporate the staffing information described in the organization chart into their response?</b>
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The organization chart simply describes the resources that the State is committing to the project. The Vendor is responsible for using this information as a starting point to recommend a project organization, based on their ERP implementation experience, which incorporates both State and Vendor staff into a collaborative working relationship. See Section 4.1.2, paragraph 1: "The Vendor is also responsible for development of a detailed resource plan for both Vendor and State staff, which defines the staffing and staff organization, identifies all team participants and their roles and responsibilities."

23	4.1.5, 4.1.6.	<b>This question is on change management. In the State's opinion, what are going to be the greatest change issues in this implementation?</b>
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The State is aware that change management will be a significant issue. The Project Team has been working with the State's change management division (within the Department of Technology and Information) since the project's inception and has developed several key documents regarding knowledge transfer, financial employees (end user inventory), employee skills and change readiness (these documents can be found in appendices 1, 3, and 10 of this RFP). In Section 3, the RFP provides a discussion of the change impacts that each specific module is anticipated to have on the State organization (an impact scale is utilized to rank the strength of these impacts).

24	4.1.5	<b>The changes and impacts already identified seem to be related to changes in functionality. Has the State addressed changes needed regarding people's computer skills—a level of change not necessarily related to changes in functionality?</b>
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Yes. The State has anticipated changes needed at the level of user computer skills. The End User Inventory and Skills Assessment task was assigned to organizations to collect information that would enable the Project Team to understand the current skills, knowledge, abilities, and formal financial education acquired by the potential end users of the future system. These results were compiled into the Financial Employee Skills Gap Analysis Summary and used in the development of the Financial Employee Education and Training Strategy. In a separate RFP, the State is preparing to design a curriculum for the fundamentals of fund accounting in an ERP system so that over the next two years the workforce can receive an understanding of basic fund accounting needed to use PeopleSoft's Financials application intelligently.

## Section III: Vendor's Questions Post Conference

Question	Section	Question and Answer
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| 1 | Exec Sum | <b>Traditionally customers take the lead in the determination of what is acceptable acceptance test criteria. Will the State consider changing the roles to have the State lead in the development of the acceptance test plan and for development of the acceptance test scripts with support from the Vendor?</b> |
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This is partially addressed in Section 4.2.11: “Although user acceptance testing is a State responsibility, the Vendor will be responsible for development of the acceptance test plan and for the development of the acceptance test scripts. The State will modify the acceptance test scripts as required.” The State understands the traditional role of the customer in acceptance testing, and will be responsible for final system acceptance. However, the State would like to have the benefit of the Vendor’s prior experience in similar projects in the development of the plan and scripts. A proposal will be acceptable if the Vendor adequately describes how the Vendor can provide this benefit without also having responsibility for plan and script development.

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| 2. | 2.3.4 | <b>Reengineering Phase Products. INVENTORY is not marked being part of the initial sub-set of modules to be implemented. Typically, DOT’s require this module. Will the State (and the Department of Transportation) confirm that Inventory is not needed to replace BACIS and/or meet core DOT business requirements?</b> |
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The State during the Re-engineering phase of the project evaluated the functionality offered by the Inventory module and compared it with the current software package being used by DelDOT and other large organizations (Delaware Department of Health and Social Services). It was determined at that time because there is no current integration between the current BACIS financial system or the State's DFMS system, DelDOT's needs would remain well served through the on-going use of its current Inventory management system and processes. Other large state organizations did not express enough significant business reasons for the Project team to consider it as part of the initial rollout of the financials applications.

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| 3. | 3.2.2 | <b>Please confirm whether or not the continued rollout of Time and Labor is within of this the scope of this procurement?</b> |
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The continued rollout of Time and Labor is NOT part of the scope of this procurement. However, evaluation, recommendation, and implementation support on how the state will need to alter its use of Time and Labor to use delivered functionality between Financials, Time and Labor, and Human Capital Management is part of the scope of this procurement. For example, the state knows it will need to change the current use of Userfield 1 for project purposes so it uses the delivered chartfield of Project Costing. It is expected that responding vendors will include their strategy for moving toward a delivered integration.

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| 4 | 3.2.5 | <b>In the RFP it states “The State has not undertaken a thorough review of the organization’s reporting requirements. An initial listing of current reports and report types has been assembled; however, a full review of the reporting needs must be conducted to design the most effective reporting strategy. The State will begin the review prior to implementation and complete it with the assistance of the successful Vendor.” Please clarify the extent / expectation of the Vendor.</b> |
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Please see Section 4.2.7 and identify any further clarification required. Also see Appendices 8 and 9 for additional information.

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| 5. | 3.2.5 | <b>In the RFP it states “Whether the reporting strategy will include a reporting instance of the current PeopleSoft version or the use of PeopleSoft EPM version 8.9 has not yet been determined. It is expected that EPM version 8.9 can meet the ad-hoc requirements that have been identified in Appendix 9. The State expects to begin the analysis prior to implementation and complete it with the assistance of the successful Vendor.” Please clarify the extent / expectation of the Vendor.</b> |
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Please see Section 4.2.7 for additional information. Also see Appendices 8 and 9 for additional information.

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| 6. | 6.2.1.6 | <b>Vendor Required Attachments In the RFP it states “The Vendor must include a copy of the outline test plan based its responses to this RFP.” Please clarify or further define “Outline Test Plan”.</b> |
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Please see Section 4.2.11 Testing in the “Vendor Response” section on page 124. The State expects this to be a high-level plan addressing the points identified on page 124, which will be expanded during the implementation effort. This should be an expansion of the high-level project plan requested in section 4.1.1, focused on the testing activities.

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| 7. |  | <b>Will the State’s Department of Technology and Information (DTI) be responsible for creation, maintenance and associated support for the Financials Implementation Project throughout the project timeframe? If the Vendor has a lead or shared role in the environment(s) maintenance, please specify.</b> |
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Please see Section 4.2.1 “Technical Environment (Hosting Issues)” on pages 105 and 106. The State, through DTI, has the primary responsibility for the technical environment and will look to the Vendor for assistance. Per the text “The State is planning to host the development and production environments, and has been hosting and maintaining the sandbox environment during the reengineering phase of the project.” More specifically, “PeopleSoft Financials 8.9 will be installed by the State and certified by PeopleSoft prior to the arrival of the implementation vendor. In addition, staff from the Delaware. Department of Technology and Information will have established the development environment, [...]. it will be the Vendor’s responsibility to review the development software installation and make

Question	Section	Question and Answer
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recommendations for enhancement or improvement based on the Vendor’s previous implementation experience.”

It is also noted that for the State, there is a significant demand on a limited number of IT staff as well as hardware and software resources. For these reasons, the State is considering the option of having the implementation Vendor provide application hosting services during the implementation project.

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| 8. | 6.2 | <b>We do understand that the technical and cost proposals are to be submitted as two separate document volumes. Our question is specific to the cost volume and whether you want us to re-submit your original spreadsheets (with our completed figures included) for the cost tables, or if we can paste them into a Word document so that our cost proposal text and tables are all provided within a single document?</b> |
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See Section 7.1 “Introduction” to the “Vendor Cost Response” section, page 174. The State’s preference is for Vendors to complete the Excel spreadsheets as provided in Appendix 15. However, the State does provide Vendors with the option of creating their own cost sheets so long as all of the requested information (from the State’s cost tables) is provided in the format and order of the cost tables presented in this section and Appendix 15. Also, some of the Excel cost tables in Appendix 15 provide Vendors with the option of submitting them in Word or PDF formats. Tables and text can be provided within a single Cost Proposal document as long as the State’s format and layout are used

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| 9. |  | <b>The paragraph entitled “Special Organizational Conditions” set forth in Section 6.2.1.2, stipulates that Vendors must “...Disclose any of the conditions that have occurred within the past five (5) years and discuss their organizational impacts; judgments, pending litigation or other real potential financial reversals, contract terminations, known or planned sale, merger or acquisition of this Vendor’s company or products, any mergers or acquisitions and any potential conflicts of interest with the State.”</b> |
|----|--|---|

**Many of our public sector customers have asked us to provide a profile of relevant litigation and in response to that request we have provided a reference to material litigation as described in our company’s annual report, and this has been well received. Is this approach acceptable to the State?**

While a reference to Annual Report Notes or other documents is helpful, the State will require that the proposal include a discussion of those conditions especially if the specific conditions relate to the Vendor’s services proposed for our project or are related to any potential conflict of interest with the State.

- |     |         |   |
|-----|---------|---|
| 10. | 6.2.1.2 | <b>Please describe what information you desire with respect to subcontractor with less than 25% participation as the RFP statement is not clear on this matter.</b> |
|-----|---------|---|

Subcontractors whose participation in the project will be less than 25% must be identified but are not required to provide three references.



Question	Section	Question and Answer
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- |     |       |   |
|-----|-------|---|
| 11. | 4.2.1 | <b>What are the business drivers leading to the State's interest in evaluating a 3rd party hosting solution (for example, perceived benefits to the State in opting to evaluate 3rd party hosting)?</b> |
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As is stated on page 105, “there is a significant demand on a limited number of IT staff as well as hardware and software resources. For this reason, the State is considering the option of having the implementation Vendor provide application hosting services during the implementation project.”

- |     |       |  |
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| 12. | 4.2.1 | <b>What are the State's 3rd party hosting requirements (for example as it relates to system performance, security, service levels, availability, responsibility splits, others)?</b> |
|-----|-------|--|

In the context of the Hosting option, the State is looking for the prime vendor or a third party to provide the development environment during the implementation project.

See 4.2.1 on page 106 of the RFP. “The Vendor should assume but describe application availability and response time requirements based on previous hosting engagements.” Also, “... the Vendor must describe the relative roles and responsibilities of the Vendor and the State.”

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| 13. | 4.2.1 | <b>What are the scope of services the State expects a 3rd party hosting provider to support?</b> |
|-----|-------|--|

The State expects the proposed hosting solution to accommodate all of the requirements for the technical environment during the implementation project.

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| 14. | 4.2.1 | <b>Is the State willing to contract with a 3rd party hosting provider independent of its selected implementation services provider? Will the State accept hosting only proposals?</b> |
|-----|-------|---|

The State will consider any suggestions or proposals regarding a hosting solution including a separate hosting contract.

- |     |       |  |
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| 15. | 4.2.1 | <b>If the State opts to host its Financials applications with a 3rd party does it also intend on evaluating 3rd party hosting for its HCM systems at some point?</b> |
|-----|-------|--|

No.

- |     |  |   |
|-----|--|---|
| 16. |  | <b>Please provide the existing State PeopleSoft HCM environment infrastructure and hardware specifications?</b> |
|-----|--|---|

No longer relevant given the answer to Question #15.

Question	Section	Question and Answer
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17.		<b>Has the State reviewed any 3rd party vendor hosting presentations and with which hosting vendors?</b>
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		No. The State’s ERP Financial Reengineering Project Team has not reviewed any third-party vendor hosting presentations.
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18.		<b>Would the State prefer an implementation only hosting proposal (2-years), a short term production hosting proposal (3-years) or a longer term production hosting proposal (5-years)?</b>
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		Any optional hosting proposal is being considered for the implementation period only. It is anticipated that the system would be transferred to the State’s environment before we move into production. The State would expect post implementation support for the transferred system in tandem with the Implementation Vendor’s support period.
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19.		<b>What is the total number of expected system users?</b>
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		The State is estimating 200 total users of the implementation system during the implementation project. During training, which will be conducted prior to “go-live”, the State expects approximately 2,500 users to be trained. These 2,500 users will continue to have access to a training instance from the time of their training to the move to production.
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20.		<b>What is the number of expected Self-Service Users?</b>
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		During the implementation, the hosting environment will be supporting approximately 200 end users working in the various instances of the databases as well as a total of approximately 2,500 end users who will process through the training instances within the last 3- 4 months of Implementation. The number of Self-Service Users is expected to be minimal.
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21.		<b>What is the number of 2-Tier Developers requiring system access during the implementation and once the State has gone live and is in production?</b>
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		The State anticipates needing approximately 25 FTE’s in this role from the State’s side. The State has no estimate regarding this requirement from the Implementation Vendor’s side.
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22.		<b>Will the State require a separate reporting database server?</b>
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		This has not yet been determined.
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Question	Section	Question and Answer
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23.		<b>Will the State require a separate training database/server?</b>
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		The State foresees the need for two separate training instances. Whether or not these two instances need to be on separate servers should be determined by the hosting provider.
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24.		<b>Are there other separate environments that will be required during the implementation that fall outside the norm?</b>
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		The State expects to require 10 to 12 instances PeopleSoft Financials for the implementation environment.
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25.	7.1.4	<b>Since the actual details of small, medium, large and significant efforts is unknown at this time would it be permissible to propose our hourly rates for the duration of the project to be used if additional or out-of-scope work is approved?</b>
-----	-------	--

		See Section 4.2.3. “Design Specification (Modifications/Customizations),” page 109 where it is stated “For the purposes of implementation planning and estimating, the State considers the following four levels and their associated costs: Small (40 hours or less); Medium (41-80 hours); Large (81-120); and Significant (120+ hours).”
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26.	7.1.6	<b>Is the 15 percent holdback negotiable?</b>
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		The Vendor’s response should be based on a 15% holdback as outlined in the RFP. Within the text of the Vendor’s response a different percentage may be proposed along with an outline of the justification for the change which the State will take under consideration. Be advised that Vendor’s proposal must be based on the holdback percentage as specified in the RFP.
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27.	7.1.6	<b>Is the timing of the final payment (holdback amount) negotiable?</b>
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		No. The State’s preference is to base actual payment dates upon the completion and acceptance of the related deliverables. Similarly, the timing of the final payment would not occur until the State formally accepts the implementation of the PeopleSoft Financials application at the end of the post-implementation support period.
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28.		<b>What effect will this implementation project have on other, already in production, PeopleSoft installations within in the State (i.e., Department of Transportation)? Please provide a list of all existing PeopleSoft installations within the State.</b>
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		See the “PHRST Integration” sections 3.2.2 and 4.2.4. This Financials implementation project will only impact one other in production PeopleSoft installation: the State’s PHRST system. Per the RFP (page 111) “The Vendor will be responsible for definition, design, and development of changes to the PHRST system to ensure that the PHRST, HR, Payroll, and Time and Labor modules are integrated
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Question	Section	Question and Answer
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		with PeopleSoft Financials and that all accounting entries integrate, synchronize or flow between PHRST and PeopleSoft Financials.” As for other PeopleSoft installations used by State government entities, there are three: PHRST, Delaware Transit Corporation and the Office of Pensions
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## Section IV: Vendor’s Last Question and Answer

Question	Section	Question and Answer
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- |   |       |   |
|---|-------|---|
| 1 | 4.2.1 | <b>Please clarify where the physical location of a Hosted environment may reside. Delaware only? United States Only? Off shore?</b> |
|---|-------|---|

The hosted environment may reside at any location as long as the performance needs and security requirements of the State are met. This would be the only exception to the requirement that all work be performed at the project site in Dover, Delaware. The State reserves the right to evaluate any off-shore services offering. And due to security considerations, the State may elect to reject any optional hosting proposal containing such services.

Section V: Revised Question and Answer

The State previously published a related question and answer and we are revising that previously published answer so that the related questions will have consistent answers. The previously published question and corresponding revised answer is presented below.

Question	Section	Question and Answer
<b>Revised</b> Section II Question I	5.4.18	<p><b>Does the definition of “off-shore” in section 5.4.18 extend to locations on the North American continent such as Phoenix or Toronto?</b></p> <p>The State requires all work to be performed at the project site in Dover, Delaware. This is indicated in the RFP at Section 7.1 (p175) which requires rates to “represent services provided at the project site Dover, Delaware”. The State understands that there will be occasions for incidental work to be performed at off-site locations but will address such requirements on a case-by-case basis.</p> <p>One exception to this rule relates to any Vendor proposal to provide hosting services. The hosted environment may reside at any location as long as the performance needs and security requirements of the State are met. The State reserves the right to evaluate any off-shore services offering. And due to security considerations, the State may elect to reject any optional hosting proposal containing such services.</p>

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